

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1278-01  
Bill No.: HB 411  
Subject: Mental Health; Mental Health Dept.  
Type: Original  
Date: February 15, 2011

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Bill Summary: Requires the Department of Mental Health to develop a transition plan for services of residents of state developmental disabilities facilities to the most appropriate setting.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
General Revenue	(Unknown greater than \$100,000) to Unknown greater than \$100,000	Unknown greater than \$100,000	Unknown greater than \$100,000
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown greater than \$100,000) to Unknown greater than \$100,000</b>	<b>Unknown greater than \$100,000</b>	<b>Unknown greater than \$100,000</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Department of Mental Health (DMH)** state this legislation requires the DMH to develop a transition plan for services of residents of state developmental disabilities facilities, including intermediate care facilities for the mentally retarded, to the most integrated settings appropriate for their needs. It requires the DMH to contract with a reputable independent third party to conduct a study and develop a plan which identifies mechanisms to serve people currently living in state institutions in the community. This plan is to be submitted to the Governor, the Senate Appropriations Committee, the House Health, Mental Health, and Social Services Appropriations Committee, the House Budget Committee, and the Developmental Disabilities Advisory Council. The plan is also to include a proposed schedule for implementation with a goal of shifting the provision of services for every resident by January 1, 2018. The bill also stipulates that any plans started after August 28, 2011, to build or renovate state-owned facilities shall not be implemented, entered into contract to construct, or put out for bid until the completion of the plan.

The fiscal impact of this legislation is an unknown, greater than \$100,000 cost for development of the plan and an unknown, greater than \$100,000 savings for the eventual transitioning of clients from the habilitation center settings into the community-based settings assuming implementation of the study's recommendations/plan. Each client transitioned from a habilitation center bed to a community-based setting will save, on average, \$75 of General Revenue per day. The DMH is submitting an unknown, greater than \$100,000 savings for FY 13 and FY 14 because until the implementation plan is completed, the Department is unable to estimate exactly how many clients will transition each year.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE</b>			
<u>Savings - DMH</u>			
Clients transitioned from habilitation centers to community-based settings	Unknown greater than \$100,000	Unknown greater than \$100,000	Unknown greater than \$100,000
<u>Costs - DMH</u>			
Contract costs for study	<u>(Unknown greater than \$100,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(Unknown greater than \$100,000) to Unknown greater than \$100,000</u></b>	<b><u>Unknown greater than \$100,000</u></b>	<b><u>Unknown greater than \$100,000</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may impact small business community-based developmental disabilities facilities if the DMH transitions clients from state-owned habilitation facilities to these facilities.

FISCAL DESCRIPTION

This proposal requires the Department of Mental Health to develop a plan for transitioning the services for a resident of a state developmental disabilities facility to the most integrated settings appropriate to his or her needs and a plan identifying mechanisms to serve the persons currently living in state institutions in the community. The plan must contain specific recommendations for each resident based on an assessment of individual needs and preferences identifying the services in the most appropriate community setting of the resident's choice, cost of providing necessary services in a community setting, barriers to community transition, and a

FISCAL DESCRIPTION (continued)

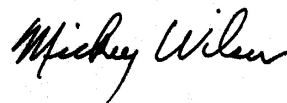
transition timetable. The plan must include best practices for serving persons with development disabilities; research, data, and trends regarding residential settings for these persons; and recommendations for state employees working at the state facilities. The transition plan to de-institutionalize persons with developmental disabilities must identify alternative uses for state facilities; costs, cost savings, and the time frame for the cost savings; potential funding sources; legal obstacles; any needed new or enhanced services; and a proposed implementation schedule shifting provision of services to the community for every resident by January 1, 2018. All long-term admissions to state intermediate care facilities for the mentally retarded must cease upon the effective date of the proposal. Any plan started after August 28, 2011, to build or renovate a state-owned facility cannot be implemented, entered into contract to construct, or put out for bid until the completion of the plan.

The department must submit the plan by December 31, 2012, to the Governor, Senate Appropriations Committee, House of Representatives Health, Mental Health, and Social Services appropriations committees, House of Representatives Budget Committee, and the Missouri Advisory Council on Mental Retardation and Developmental Disabilities within the department.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Mental Health



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Director  
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